EXHIBIT 3

INTERJET NET CO (IJNT)

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Amendment No. 1 to
FORM 10-KSB

[x] Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 [No Fee Required]

For the fiscal year ended March 31, 1999

[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 [No Fee Required]

For the transition period from to

Commission file number 0-24408

IJNT.net, Inc.
(Exact name of small business issuer in its charter)

DELAWARE	33-0611753
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2800 Post Oak Blvd. Houston, Texas	77056
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (713) 462-4222

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: Common Stock, par value $.001

Indicate by check mark whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the issuer was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

YES X NO

Check if disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of issuer's knowledge, in definitive proxy or information statements incorporated by reference in part III of this Form 10-KSB or any amendment to this Form 10-KSB. [X]

State issuer's revenues for its most recent fiscal year: $1,552,194

The aggregate market value of the voting stock held by non-affiliates of the issuer as of July 8, 1999 was equal to $35,719,159 based on the average bid and ask price of $3.75

The number of shares outstanding of the issuer's classes of Common Stock as of July 8, 1999:

Common Stock, $.001 Par Value - 17,183,756 shares

DOCUMENTS INCORPORATED BY REFERENCE: NONE

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EXPLANATORY NOTE

This Annual Report on Form 10-KSB/A ("Form-KSB/A") is being filed as Amendment No. 1 to the Registrant's Annual Report on Form 10-KSB for the fiscal year ended March 31, 1999 filed with the Securities and Exchange Commission on July 13, 1999 ("Form 10-KSB") for the purpose of making amendments to Item 7 of Part II (in particular, changes to the Balance Sheet, the Consolidated Statements of Changes in Stockholders' Equity, Note 1 - Summary of Significant Accounting Policies, Note 3 - Related Party Transactions and Note 5 - Licenses and Other, and the addition of new Note 10 - Redeemable Preferred Stock) and Item 13 of Part III of IJNT.net, Inc.'s Annual Report on Form 10-KSB.

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IJNT.net, Inc.
Form 10-KSB/A
FOR THE FISCAL YEAR ENDED MARCH 31, 1999

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PART II

Item 7. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The selected financial data presented below for the years ended March 31, 1999 and March 31, 1998 were derived from the consolidated financial statements of the Company, which were audited by Smith & Company, independent certified public accountants, and which are included elsewhere in this Form 10-KSB. This selected consolidated financial data should be read in conjunction with "Management's

Discussion and Analysis of Financial Condition and Results of Operations" and the Company's consolidated financial statements (including the notes thereto) included elsewhere in this Form 10-KSB.

As the Company was not involved in operations prior to the acquisition of IJNT, Inc., the financial data has not been presented in a comparative format.

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IJNT.net, Inc.
and Subsidiaries
Condensed Consolidated Income Statement
For the Years Ended March 31, 1999 and March 31, 1998

	March 31, 1999	March 31, 1998
Sales	$ 1,552,194	$ 147,057
Cost of Sales	543,657	66,405
GROSS PROFIT	1,008,537	80,652
General and Administrative Costs	5,851,475	2,044,431
Depreciation and Amortization	270,173	82,874
Interest and Bank Charges	24,240	10,071
TOTAL OPERATING EXPENSES	6,145,888	2,137,376
Net Operating Loss	(5,137,351)	(2,056,724)
Other Income (Expense)		
Interest Income	65,474	12,947
Acquisition Costs	(1,510)	(351,707)
NET LOSS	$ (5,073,387)	$ (2,395,484)
Earnings (Loss) per Common Share	$ (.35)	$ (0.21)

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INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

IJNT.NET, INC. CORPORATION
AND SUBSIDIARIES

Item 13. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits. The following exhibits of the Company are included herein

Exhibit No.	Document Description	Sequential Page No.
3.	Certificate of Incorporation and Bylaws 3.1 Articles of Incorporation(1) 3.2 Bylaws(1)	-
27.1	Financial Data Schedule	19
99.1	Appraisal of Acquired Channel Rights	20

(1) Incorporated by reference to such exhibit as filed with the Company's registration statement on Form 10-SB, File No. 0-24408

(b) Reports on Form 8-K

None filed during the fourth quarter

Smith
&
Company

A Professional Corporation of Certified Public Accountants

Board of Directors
IJNT.net, Inc.
Salt Lake City, Utah

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying consolidated balance sheet of IJNT.net, Inc. and Subsidiaries as of March 31, 1999, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the years ended March 31, 1999 and 1998. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of IJNT.net, Inc. and Subsidiaries as of March 31, 1999 and the results of their operations, changes in stockholders' equity, and cash flows for the years ended March 31, 1999 and 1998 in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The information in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Smith & Company
CERTIFIED PUBLIC ACCOUNTANTS

Salt Lake City, Utah
July 7, 1999

10 West 100 South, Suite 700 o Salt Lake City, Utah 84101-1554
Telephone: (801) 575-8297 Facsimile: (801) 575-8306
E-mail: smith&co@smithandcocpa.com
Members: American Institute of Certified Public Accountants
Utah Association of Certified Public Accountants

IJNT.net, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

	March 31, 1999
ASSETS	
CURRENT ASSETS	
Cash in bank	$ 902,757
Accounts receivable - Trade	291,642
Stockholder receivable (Note 3)	79,693
Other receivables	207,980
Inventory	86,645
Prepaid expenses	300,720
TOTAL CURRENT ASSETS	1,869,437
PROPERTY AND EQUIPMENT (Notes 1 and 4)	2,313,953
OTHER ASSETS	
Deposits	65,422
Organization costs (Note 1)	6,743
Licenses and other (Note 5)	2,072,423

TOTAL OTHER ASSETS	2,144,588
	$ 6,327,978

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES	
Accounts payable	$ 283,249
Accrued liabilities	200,266
Income taxes payable	4,811
Note payable	0
Loans from stockholders (Note 3)	156,690
Current portion of long-term debt (Note 6)	26,497
TOTAL CURRENT LIABILITIES	671,513
LONG-TERM LIABILITIES (Note 6)	195,679
TOTAL LIABILITIES	867,192
REDEEMABLE PREFERRED STOCK (Note 10)	
Series A Preferred stock $.01 par value:	
Authorized 1,000,000 shares;	
Issued and outstanding 2,000 shares	2,364,260
STOCKHOLDERS' EQUITY	
Common stock, $.001 par value:	
Authorized 20,000,000 shares;	
Issued and outstanding 15,975,129 shares	15,975
Additional paid-in capital	10,727,136
Retained deficit	(7,646,585)
TOTAL STOCKHOLDERS' EQUITY	3,096,526
	$ 6,327,978

See Notes to the Consolidated Financial Statements.

IJNT.net, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years ended March 31, 1999	1998
Sales	$ 1,552,194	$ 147,057
Cost of sales	543,657	66,405
GROSS PROFIT	1,008,537	80,652
General and administrative expenses (Schedule 1)	5,851,475	2,044,431
Depreciation and amortization (Note 1)	270,173	82,874
Interest and bank charges	24,240	10,071
	6,145,888	2,137,376
Net operating loss	(5,137,351)	(2,056,724)
Other Income (Expense)		
Interest income	65,474	12,947
Acquisition costs	(1,510)	(351,707)
NET LOSS	$ (5,073,387)	$ (2,395,484)
EARNINGS (LOSS) PER COMMON SHARE		
Net income (loss)	$ (.35)	$ (.21)
Weighted average number of common shares used to compute net income (loss) per weighted average share	14,372,270	11,528,021

See Notes to the Consolidated Financial Statements.

IJNT.net, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Series A Preferred Stock Shares	Series A Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retain Defic:
Balances at 3/31/97	0	$ 0	10,388,886	$ 10,389	$ 1,677,259	$ (17'
Issue stock for note payable 7/31/97			155,000	155	1,400	
Stock split 2.339936535 for 1 7/31/97			776,677	776	(776)	
Sale of shares in private placement 8/20/97			680,000	680	1,325,320	
Issue shares to acquire Access Comm. 1/1/98			211,000	211	421,789	
Issue shares for services 1/27/98			15,000	15	31,485	
Sale of shares in private placement						
1/27/98			69,620	70	146,064	
2/1/98			48,200	48	101,172	
3/1/98			9,762	10	20,490	
3/10/98			500,000	500	890,635	
Net loss						(2,39!
Balances at 3/31/98	0	0	12,854,145	12,854	4,614,838	(2,57:
Issued stock to acquire WebIt 4/17/98 (net of $43,878 acquisition costs)			20,000	20	15,102	
Issued stock for services:						
4/17/98			20,637	21	82,527	
7/2/98			11,500	11	45,988	
7/8/98			30,000	30	119,970	
8/7/98			2,000	2	7,998	
8/18/98			38,000	38	116,962	
9/14/98			22,000	22	87,978	
10/9/98			10,000	10	19,990	
10/23/98			89,550	90	223,785	
11/20/98			20,000	20	59,980	
Sale of shares in private placement 7/7/98			100,000	100	204,860	
Sale of Reg. S shares 7/15/98			700,000	700	1,829,857	
Issue stock to acquire						

MRHM, Inc. 8/4/98 (net of $100,000 acquisition costs)			37,163	37	107,463	
Sale of Reg. D shares 8/18/98			563,950	564	1,156,619	
Issue stock for warrants 8/24/98			512,821	513	999,487	
Issue stock to retire debt 8/24/98			70,000	70	69,930	
Sale of Series A Preferred shares 12/31/98 (net of $200,000 commissions)	2,000	1,800,000				
Issue additional shares to settle prior year acquisition of Access Comm. 1/12/99			30,333	30	(4,518)	
Issue stock for services:						
2/1/99			118,334	118	266,133	
2/4/99			25,091	25	49,975	
3/1/99			41,886	42	88,752	
Issue stock for assets:						
2/17/99			200,000	200	499,800	
3/31/99			207,719	208	688,170	
Issue stock to acquire Global Broadband 2/22/99 (net of $590,000 acquisition costs)			250,000	250	(60,250)	
Recognition of Beneficial Conversion Feature of Redeemable Preferred Stock (Note 10)		564,260			(564,260)	
Net loss						(5,07
Balances at 3/31/99	2,000	$ 2,364,260	15,975,129	$ 15,975	$ 10,727,136	$ (7,64

See Notes to the Consolidated Financial Statements.

IJNT.net, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years ended March 31, 1999	1998
OPERATING ACTIVITIES		
Net loss	$ (5,073,387)	$ (2,395,484)

Add items not requiring the use of cash		
Stock issued for services	1,170,467	31,500
Amortization and depreciation	270,173	82,874
Acquisition costs	0	351,707
Changes in assets and liabilities:		
Accounts receivable	254,922	(39,912)
Inventory	(41,811)	(44,834)
Prepaid expenses	(288,612)	(12,108)
Accounts payable	(106,495)	401,262
Accrued liabilities	153,874	(41,108)
Income taxes	4,011	800
NET CASH REQUIRED BY OPERATING ACTIVITIES	(3,656,858)	(1,665,303)
INVESTING ACTIVITIES		
Purchase equipment	(1,323,229)	0
Deposits	(56,515)	(8,907)
Organization costs	(401)	(8,978)
NET CASH REQUIRED BY INVESTING ACTIVITIES	(1,380,145)	(17,885)
FINANCING ACTIVITIES		
Sale of preferred stock	1,800,000	0
Sale of common stock	4,192,700	1,690,664
Proceeds from loans	0	83,690
Principal payments on loans and leases	(116,243)	(27,863)
NET CASH PROVIDED BY FINANCING ACTIVITIES	5,876,457	1,746,491
INCREASE IN CASH AND CASH EQUIVALENTS	839,454	63,303
Cash and cash equivalents at beginning of period	63,303	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 902,757	$ 63,303

Supplemental Disclosures of Cash Flow Information

Cash paid during the period for:		
Interest	$ 24,240	$ 10,071

Noncash investing and financing activities

During the period ended March 31, 1999, the Company issued 745,215 shares of common stock for assets valued at $1,246,512, and the Company issued 70,000 shares to satisfy debt. Equipment at a cost of $377,344 was acquired by incurring contracts and leases payable in the same amount.

See Notes to the Consolidated Financial Statements.

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IJNT.net, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements for 1998 include the accounts of the Company and its wholly-owned subsidiaries IJNT, Inc., which was incorporated January 15, 1997 under the laws of the State of Nevada, and Access Communications, Inc., a Texas corporation, which was purchased January 1, 1998. The consolidated financial statements for 1999 include the accounts of the Company and its wholly-owned subsidiaries IJNT, Inc., Access Communications, Inc., WebIt of Utah, Inc., a Utah corporation purchased April 17, 1998; UrJet Backbone Network, Inc., which was incorporated in December 1998 under the laws of Nevada; Man Rabbit House Multimedia, Inc., a California corporation purchased August 14, 1998; and Global Broadband Services, Inc., a Nevada corporation purchased February 22, 1999. All significant intercompany balances and transactions have been eliminated in consolidation.

Business Activity

The Company was incorporated on June 11, 1992 in Delaware as Picometrix, Inc. On August 8, 1997 the name was changed to Interjet Net Corporation. During the year ended March 31, 1999, the name was changed to IJNT.net Corporation, then to IJNT International, Inc. and finally to IJNT.net, Inc. The Company acquired the bulk of its assets July 31, 1997 with the acquisition of IJNT, Inc. The Company and its subsidiaries are engaged in the business of providing wireless internet access through microwave technology, dial-up internet access, web site design, web hosting services, fiber backbone connectivity, and a variety of telecommunications carrier services.

Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting where revenues are recognized when earned and expenses are recognized when incurred. Wireless internet service requires certain hardware items which must be installed at the customer's location. The sale of the equipment and installation labor are recognized as revenue in the period in which it was installed. Internet access revenue is recognized monthly as it is billed. Web site development services revenue is recognized based on stages of development, typically over a period of one to three months, as the stages are authenticated by the customer.

Earnings (Loss) Per Share
Earnings (loss) per share amounts are calculated based on the weighted average number of shares outstanding during the period.

Organization costs
Organization costs are being amortized over a five year period.

Property and Equipment
Property and equipment are depreciated over their estimated useful lives. Depreciation and amortization are computed using straight-line methods over an estimated life of five to seven years.

Cash and Cash Equivalents
For financial statement purposes, the Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Income Taxes
The Company records the income tax effect of transactions in the same year that the transactions enter into the determination of income, regardless of when the transactions are recognized for tax purposes. Tax credits are recorded in the year realized.

The Company utilizes the liability method of accounting for income taxes as set forth in Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS 109). Under the liability method, deferred taxes are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse. An allowance against deferred tax assets is recorded when it is more likely than not that such tax benefits will not be realized.

IJNT.net, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

March 31, 1999

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses during the reporting period. Estimates also affect the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

NOTE 2: FORMER DEVELOPMENT STAGE COMPANY
The Company was in the development stage from its inception until December 31, 1997. Commencing January 1, 1998, the Company has sufficient revenue through operations of its subsidiaries that management considers it to be no longer in the development stage.

NOTE 3: RELATED PARTY TRANSACTIONS
During 1997, the Company's subsidiary, IJNT, Inc. acquired assets valued at $699,000 from an officer in exchange for 1,000 shares of common stock. The officer paid costs of $321,252 on behalf of IJNT, Inc. as additional consideration for the stock. The assets were recorded on IJNT, Inc.'s books at their historical cost to the officer.

In March 1999, the Company acquired channel rights from a related party for $450,000, which was the book value of the acquired assets on the books of the seller. The Company obtained an independent appraisal supporting such valuation as an approximation of the market value of the acquired assets.

The officers and directors of the Company are involved in other business activities and may, in the future, become involved in other business opportunities. If a specific business opportunity becomes available, such persons may face a conflict in selecting between the Company and their other business interests. The Company has not formulated a policy for the resolution of such conflicts.

At March 31, 1999, the Company owed two stockholders $156,690, payable within the next 12 months without interest. At that date the Company was owed $79,693 by a stockholder, payable within the next 12 months without interest.

NOTE 4: PROPERTY AND EQUIPMENT
Property and equipment as of March 31, 1999 are summarized as follows:

	Cost	Depreciation	Net Book Value

Furniture	$ 180,075	$ 40,940	$ 139,135
Equipment	620,145	118,534	501,611
Transmission Equipment	1,865,789	202,144	1,663,645
Leased Vehicle	12,749	3,187	9,562
	$ 2,678,758	$ 364,805	$ 2,313,953

NOTE 5: LICENSES AND OTHER

The Company owns various MMDS, ITFS, and LPTV (wireless cable) licenses to operate in various cities. The Company has also recently purchased customer bases from two entities and signed a non-compete agreement with an officer. These assets are recorded at cost and amortized on a straight-line basis over the life of the assets (up to 10 years). The Company reviewed publicly available documents concerning acquisitions of similar licenses and rights by the following companies:

IJNT.net, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
March 31, 1999

1. Sprint's acquisition of Videotron USA for approximately $108.0 million in May 1999.
2. Antilles Wireless, LLC acquisition of wireless cable channel rights from American Telecasting, Inc. for approximately $6.2 million in April 1999.
3. MCI Worldcom Inc.'s acquisition of entire capital stock of CAI for approximately $408.0 million in April 1999.
4. Sprint's acquisition of People's Choice TV Corp. for approximately $100.2 million in April 1999.

The Company has also consulted with Mr. Andrew Nestor, an industry expert, regarding the valuation of its licenses and lease rights. Based on the above-described research and analysis, management believes that the cost of assets as carried on the books is an appropriate approximation of the fair value of such licenses and lease rights.

A summary is as follows:

MMDS Channel rights (see Note 3)	$	450,000
LPTV rights and licenses (see Note 3)		699,000
ITFS rights		634,746
Customer bases		238,677
Non-compete agreement		50,000
	$	2,072,423

NOTE 6: LONG-TERM LIABILITIES

Long-term debt at March 31, 1999 is detailed as follows:

	Interest Rate	Payment	Principal Balance Current	Principal Balance Long-term
Vehicle contract	9.75	$ 1,099	$ 13,183	$ 19,097
Vehicle contract	13.30	378	4,536	8,384
Vehicle lease	9.90	531	8,778	3,604
Note payable to consultant	0	0	0	133,344
Note payable to corporation	0	0	0	31,250
			$ 26,497	$ 195,679

Scheduled principal reductions of the debt are as follows:

2000	$	26,497
2001		175,969
2002		19,710
	$	222,176

NOTE 7: COMMITMENTS AND CONTINGENCIES

The Company conducts its operations in leased facilities under noncancellable operating leases expiring through 2001. In addition, the Company leases equipment under noncancellable operating leases expiring through 2007. The minimum future rental commitments under operating leases are as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
March 31, 1999

Year ending March 31,	Facilities	Equipment	Total
2000	$ 535,002	$ 82,028	$ 617,030
2001	487,272	71,400	558,672
2002	466,272	71,400	537,672
2003	434,404	71,400	505,804
Beyond 2003	185,334	71,400	256,734
	$ 2,108,284	$ 367,628	$ 2,475,912

Payments under these leases (included in general and administrative expenses) were $317,417 for the year ended March 31, 1999 and $190,944 for the year ended March 31, 1998.

NOTE 8: INCOME TAXES

No federal income taxes were due for the years ended March 31,1999 or 1998.

At March 31, 1999, the Company has a federal net operating loss carryover of approximately $7,500,000. The federal loss will expire starting March 31, 2012.

At March 31, 1999, the Company has a deferred tax asset in the amount of $0. There is a potential asset based on future reduction of income taxes using the net operating loss carryforward. The amount has been reserved 100% due to the Company's losses. Management believes that the Company will realize sufficient income in the future to utilize the net operating loss carryforward. However, since future income can only be estimated, there is not sufficient basis for recognition of any deferred tax asset at this time.

NOTE 9: ACQUISITION OF SUBSIDIARIES

The Company issued 548,496 shares to acquire subsidiaries (treated as purchase transactions) as follows:

January 1, 1998	Access Communications, Inc.	241,333

April 17, 1998	WebIt of Utah, Inc.	20,000
August 4, 1998	Man Rabbit House Multimedia, Inc.	37,163
February 22, 1999	Global Broadband Services, Inc.	250,000
		548,496

NOTE 10: REDEEMABLE PREFERRED STOCK

At December 1, 1998, The Company issued 2,000 shares of Series A Preferred Stock with $0.01 par value and $1,000 liquidation value. The base carrying value (net of $200,000 commissions) is $1,800,000. These shares were immediately convertible (at the shareholder's option) to common stock at a 20% discount from the average closing price for the five days immediately preceding a request for conversion. Based on the quoted closing prices (OTCBB: LJNT) for the period from November 25-30, 1998, the 2,000 shares could have been immediately converted to 687,285 shares of common stock with fair market value of $2,364,260. A Beneficial Conversion Feature in the amount of $564,260 has been recognized in the balance sheet, along with an immediate offset to additional paid-in capital because the Company has not retained earnings from which to pay dividends. At March 31, 1999 none of the preferred shares had been converted.

SCHEDULE 1

IJNT.net, Inc. AND SUBSIDIARIES

CONSOLIDATED GENERAL AND ADMINISTRATIVE EXPENSES

	Years ended March 31, 1999	1998
Accounting	$ 51,375	$ 26,035
Automobile expense	42,368	35,947
Bad debts	554	0
Computer expense	116,268	85,311
Consulting	646,727	131,489
Insurance	106,034	48,280

Lease - channel	70,620	136,682
Legal	269,548	82,852
Marketing and advertising	567,073	60,933
Meals and entertainment	57,306	25,779
Office expense	360,572	72,215
Outside services	117,211	40,061
Payroll taxes and benefits	215,154	60,666
Postage	54,203	23,005
Relocation expense	7,755	5,310
Repairs and maintenance	7,294	4,039
Rent expense	317,417	190,944
Salaries	2,154,535	713,482
Taxes and licenses	13,459	9,498
Telephone	473,651	113,928
Travel	202,351	177,975
	$ 5,851,475	$ 2,044,431

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized September 15, 1999.

IJNT.net, Inc.

By: /s/ Jon Marple
Jon H. Marple
President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on September 15, 1999.

By: /s/ Jon H. Marple — President, Treasurer, Chief Executive Officer, Chief Financial Officer and Chairman
Jon H. Marple

By: /s/ Mary E. Blake — Vice President, Secretary and Director

---

Mary E. Blake

By: /s/ Richard W. Torney Director

Richard W. Torney

By: /s/ Robert B. Santore Director, Web Site Design Director

Robert B. Santore

By: /s/ Jeffrey R. Matsen Director

Jeffrey R. Matsen

EXHIBIT INDEX

Exhibit No.	Document Description	Sequential Page No.
3.	Certificate of Incorporation and Bylaws	-
	3.1 Articles of Incorporation(1)	
	3.2 Bylaws(1)	
27.1	Financial Data Schedule	19
99.1	Appraisal of Acquired Channel Rights	20

(1) Incorporated by reference to such exhibit as filed with the Company's registration statement on Form 10-SB, File No. 0-24408

EX-27
2
FINANCIAL DATA SCHEDULE

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This schedule contains summary financial information extracted from IJNT.net, Inc. March 31, 1999 financial statements and is qualified in its entirety by reference to such financial statements.

1,000

YEAR
MAR-31-1999
MAR-31-1999
902,757
0
291,642
0
86,645
1,869,437
2,678,758
364,805
6,327,978
671,513
0
0
2,364,260
15,975
3,080,551
6,327,978
1,552,194
1,552,194
543,657
6,121,648
1,510
0
24,240
(5,073,387)
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(5,073,387)
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(5,073,387)
(.35)
(.35)

EX-99.1
3
APPRAISAL OF MMDS, ITFS & MDS FREQUENCIES

August 30, 1999

Bryan Kjosa
Consultant
1201 N. Pines Rd
Spokane, WA 99206

Re: Appraisal of MMDS, ITFS, & MDS Frequencies

To Whom It May Concern:

I have worked within all aspects of the MMDS industry including site selection, FCC licensing, system build out, customer installation, and system brokerage. I have spent the majority of my time researching and watching what is happening within the wireless cable industry over the last decade.

We have witnessed the time in which companies prospered and pursued technology only to have the FCC bog down the entire industry and nearly wipe it out. For those fortunate few who have gained their frequency blocks from the FCC, I firmly believe these frequencies are the future in many diverse ways. These highly sought after frequencies should be protected as the values will rise year after year. These frequencies are no longer obtainable from the FCC, and therefor any one who owns these frequencies will be able to name their price when a larger entity approaches for a buy-out.

I find that each of the following channel systems and the associated values are well within industry standards. When valuing MMDS/ITFS frequencies I find that the history and the potential of the industry provide the most stable, reliable formula in which any system valuation can be made. Knowing that each and every system is different and that the consumer in each market will behave similar to consumers in other different markets allows us to assume that history will generally reproduce itself again in any given market. Knowing previous acquisitions within the industry over time and various statistics such as channel capacity and demographics, will define a market easily. In this case we are dealing with frequencies, operational or not, within the spectrum range of 2.1 to 2.7 ghz. We can look at past acquisitions within the last 12 months, typically amongst public companies due to ease of gaining access to information. Additional value is given to a system that is built and operational, however, cash flow determines that value quite easily.

This industry is largely based on speculation and most reasonable people believe that the opportunities are huge. Typically success requires the entrepreneurial savvy possessed by the individuals within this industry and the technological advances that are happening each and every day.

I have had the opportunity over the last several years to research the following projects. Each of the below listed projects breaks down the valuation, location and capacity.

$300,000 Erie, PA - Seven Channels

$150,000 Columbia, KY - Eight Channels...

$50,000 Lewiston, ID - Eight Channels....

$585,000 Beaumont, TX - 28 Channels...

I have attached press releases from three recent acquisitions. A brief overview will simply backup the values assigned to the above systems.

4/6/99 American Telecasting, Inc. sale to Antilles Wireless, LLC
Markets in Billings, MT
Grand Island, NE
Rapid City, SD
Cash sale price of 6.2 million dollars less $500,000 to be held in escrow for a year

Peoples Choice TV Corp sale to Sprint Corp
Stock purchase for $103 million Dollars and assume 332 million in debt

4-16-99 CAI sale to MCI WorldCom
Entire 17 million shares for $24.00 equaling $408 million

The worlds largest communications companies are willing to spend nearly a billion dollars for control of three bankrupt MMDS companies. It is easy to see that all frequency is very valuable with or without cash flow, easily justifying the above values.

Sincerely,

Bryan Kjosa

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E-mail Newsletter • The Quicken Store • Quicken Support

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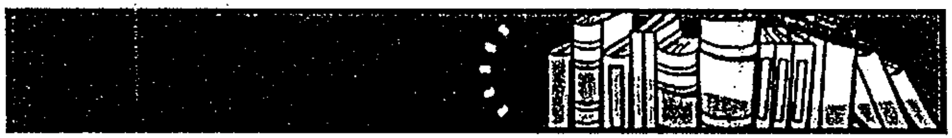

INTERJET NET CO (IJNT)

Symbol(s): IJNT Go

SYMBOL LOOKUP
STOCK COMPARISON

Quote	Chart	Intraday Chart	News	Evaluator
Analysts Research *new!*	Analyst Estimates *new!*	Insider Trading	Profile	Fundamentals
Financial Statements	SEC Filings	Rate & Discuss *new!*	Where is...?	

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-QSB

(Mark One)

[X] Quarterly Report pursuant to Section 13 or 15(d) of the Securities and Exchange Act of 1934 For the quarter period ended: June 30, 1999

or

[] Transition report pursuant to Section 13 or 15(d) of the Securities and Exchange Act of 1934 For the transition period from:

Commission file number: 0-24408

IJNT.net, Inc.
(Exact name of registrant as specified in its charter)

Delaware	33-0611753
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)
2800 Post Oak Boulevard, Houston, Texas	77056
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (713) 462-4222

Indicate by check mark whether the registrant (1) has filed all reports to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

The number of shares outstanding of the registrant's common stock on August 10, 1999 was 17,419,031

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PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements.

The following Consolidated Financial Statements of the Company and its subsidiaries and related notes are included herein:

Consolidated Balance Sheet as of June 30, 1999;

Consolidated Statements of Income for the three months ended June 30, 1999 and June 30, 1998;

Consolidated Statement of Cash Flows for the three months ended June 30, 1999 and June 30, 1998;

Notes to Consolidated Financial Statements.

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IJNT.net, Inc.
CONSOLIDATED BALANCE SHEET
June 30, 1999

ASSETS			
Current Assets			
Cash		$	764,447
Account Receivable			670,704
Prepaid Expenses			90,676
Other Receivables			207,980
Inventory			166,338
	Total Current Assets		1,900,145
Property, Plant, and Equipment			2,812,360
Other Assets			
Organizational Costs			6,743
Deposits			179,287
Licenses and Other			2,121,918
			2,307,948
	TOTAL ASSETS	$	7,020,453
LIABILITIES & STOCKHOLDERS EQUITY			
Current Liabilities			
Accounts Payable		$	510,648
Accrued Liabilities			122,874
Payroll Withholding & Other			54,787
Income Taxes Payable (State)			4,811
Loans from Stockholders			16.690
Current Portion of Long-term Debt			19,873
	Total Current Liabilities		729,683
Long-term Debt			191,430
	Total Liabilities		921,113
Stockholders Equity			
Series A Preferred Stock, $.01 par value: Authorized 1,000,000 shares;			

Issued and Outstanding 3,200 shares	32
Additional Paid-in Capital - Preferred Stock	3,589,968
Common Stock, $.001 par value;	
Authorized 20,000,000 shares;	
Issued and Outstanding 17,183,756	17,184
Additional Paid-in Capital	11,789,777
Retained Earnings (Deficit)	(9,297,621)
Total Stockholders Equity	6,099,340
TOTAL LIABILITIES & STOCKHOLDERS EQUITY	$ 7,020,453

See Notes to Consolidated Financial Statements.

IJNT.net, Inc.
CONSOLIDATED STATEMENTS OF INCOME
Three months ended June 30, 1999 and 1998

	1999	1998
Revenues	$ 1,153,251	$ 179,851
Cost of Sales	508,658	97,270
Gross Profit	644,593	82,581
General & Administrative Expenses		
Professional Services	195,656	142,537
Salaries - Officers	88,250	52,200
Salaries - Others	738,127	226,139
Payroll Taxes & Benefits	69,749	26,860
Office Expenses	74,893	19,193
Advertising & Marketing	282,337	105,253
Auto Expense	24,936	7,816
Travel & Entertainment	81,722	96,730
Computer Expenses	18,666	9,067
Depreciation & Amortization	167,377	40,609
Channel Lease Payments	0	13,750
Equipment Lease Payment	0	11,281

Postage & Delivery	18,479	10,848
Insurance	32,325	23,227
Interest Expenses	0	7
Rent	131,365	36,020
Temporary Help & Outside Services	2,703	11,107
Tower Lease Payments	0	4,640
Telephone Expense	352,695	24,002
Taxes - Other	1,999	3,656
Total General & Administrative Expenses	2,281,279	864,942
Interest Income	0	1,080
Provision for Income Tax	14,352	0
NET PROFIT (LOSS)	$ (1,651,038)	$ (781,281)

See Notes to Consolidated Financial Statements.

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IJNT.net, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Three months ended June 30, 1999 and 1998

	1999	1998
OPERATING ACTIVITIES		
Net Income (Loss)	$ (1,651,038)	$ (781,281)
Adjustments:		
Depreciation and Amortization	167,377	40,609
Expenses Paid with Common Stock	0	88,948
Changes in current accounts	(31,155)	(162,564)
Net Cash Required by Operating Activities	(1,514,816)	(814,288)
INVESTING ACTIVITIES		
Purchase of Inventory	(79,693)	(165,677)
Purchase of Fixed Assets	(665,782)	(104,407)
Deposits and Other	(163,360)	0

Net Cash Required by Investing Activities	(908,835)	(270,084)
FINANCING ACTIVITIES		
Loans	0	(4,250)
Repayment of Loans	(4,249)	(17,540)
Sale of Common Stock	2,289,590	1,486,620
Net Cash Provided (Required) by Investing Activities	2,285,341	1,464,830
Increase (Decrease) in Cash and Cash Equivalents	(138,310)	380,458
Cash and Cash Equivalents at Beginning of Period	902,757	63,303
Cash and Cash Equivalents at End of Period	$ 764,447	$ 443,761

See Notes to Consolidated Financial Statements.

INTERJET NET CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Three Months Ended June 30, 1999

NOTE 1: BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of IJNT.net, Inc. and its wholly-owned subsidiaries IJNT, Inc., Access Communications, Inc., WebIt of Utah, Inc., UrJet Backbone Network, Inc., Man Rabbit House Multimedia, Inc., and Global Broadband Services, Inc. have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of the Company's management, all adjustments (consisting of normal accruals) considered necessary for a fair presentation of these financial statements have been included.

NOTE 2: CAPITALIZATION

The Company was incorporated in the State of Delaware under the name Picometrix, Inc. on June 11, 1992 and authorized 20,000,000 shares of $0.01 par value common stock. On June 30, 1997 the Company effected a 2.3399365-for-1 share forward stock split. The split increased the total outstanding shares from 579,600 to 1,356,377. On August 8, 1997 the Company issued 9,964,286 shares of post forward-split stock to IJNT, Inc. (formerly known as InterJet Net, Inc.) in conjunction with the purchase of all of the outstanding stock of IJNT, Inc.

Over the past two years, the Company has entered into various private placement offerings as well as offerings under Regulations D and S of the Securities and Exchange Act of 1933.

On December 4, 1998, the Company entered into an Agreement with Private Investors (the "Investors") whereby the Investors purchased 2,000 shares of the Company's Preferred Series A Stock (the "Preferred Stock") for a price of $1.8 million. In May of 1999, the agreement was amended to include an additional 2000 shares of Preferred Series A Stock, which netted an additional $ 1.8 million to the Company. Through June 30, 1999 approximately 800 shares of Preferred Stock has been converted to 800,000 shares of Common Stock. The Preferred Stock has a par value of $.01 per share. A dividend of 8% per annum accrues on unconverted Preferred Shares held by the investors. The investors have the ability to convert the Preferred Stock into Common Stock of the Company at a rate of 1,000 shares of Common Stock for each share of Preferred Stock converted. The Company has the ability to put additional shares of Preferred Stock to the Investors based on the market price and average daily volume of shares traded of the Company's common stock. The maximum total investment, which can be made by the investors under the Agreement, is $10 million.

NOTE 3: RELATED PARTY TRANSACTIONS

The officers and directors of the Company are involved in other business activities and may, in the future, become involved in other business opportunities. If a specific business opportunity becomes available, such persons may face a conflict in selecting between the Company and their business interests. The Company has not formulated a policy for the resolution of such conflicts, except that the Company has adopted a policy that its executives are not permitted to accept positions to serve as directors of any organization which does business with the Company without the prior approval of the Company's CEO.

INTERJET NET CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
Three Months Ended June 30, 1999

NOTE 4: INCOME TAXES

The Company has available at March 31, 1999, net operating loss carry forwards of approximately $9.3 million which may provide future tax benefits which expire starting in June of 2010.

NOTE 5: WARRANTS OR OPTIONS TO PURCHASE COMMON STOCK

At June 30, 1999, there are outstanding no outstanding warrants or options purchase shares of the Company's common stock. As described in Note 2 above, the outstanding Preferred Series A Stock is convertible into shares of common stock in the Company.

NOTE 6: SUBSEQUENT EVENTS

See "PART II - Item 5. Other Information".

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The Company produced gross revenues of $1,153,251 for the quarter ended on June 30, 1999. This represents an increase of 541 % when compared to the revenue of $179,851 for the quarter ended June 30, 1998.

The Man Rabbit House subsidiary, which was acquired in August of 1998, contributed $354,612 in revenues for the current quarter.

The Salt Lake City system generated gross revenues of $171,110 an increase of 212% compared with revenues of $54,801 in the same period a year ago. The wireless subscriber base in Salt Lake increased to 273 as of June 30, 1999. This is a 170% increase from the 101 subscribers signed up as of June 30, 1998. Currently, there are 1898 dial-up subscribers on the Salt Lake systems. The gross revenues from wireless subscribers totaled $18,208 in the current quarter.

Similarly, the revenues of the Beaumont system increased to $118,301 from $7,095 in the quarter ended June 30, 1998. This represents an increase of 1567 %.

The Houston office generated gross revenues of $187,224 in the quarter ended June 30, 1999, compared with gross revenues of $117,955 in the same period last year. This represents an increase of 59 %. The Houston system has been expanded to offer wireless Internet access in the current quarter. This development is expected to dramatically increase revenues in the upcoming quarters.

The Northern California operations have been added since the beginning of this calendar year. The current quarter's revenues totaled $27,432.

UrJet Backbone Network ("UBN") is a wholly owned subsidiary of the Company that was formed in the last quarter of 1998 to deploy fiber backbone connectivity and a variety of telecommunications carrier services. Competitive Local Exchange Carrier (CLEC) registration is currently pending in several states. Upon approval of this registration, UBN will compete with local telephone companies to deliver various telecommunication services to customers. UBN's fiber backbone is now in place in such markets as Los Angeles, San Francisco and Orange County. Los Angeles, Dallas, Houston, Salt Lake City, Phoenix, San Diego and several other major markets should be fully connected by the end of the 1999 calendar year. UBN also has rights to fiber routes and collocation/interconnection facilities in 13 major cities across the U.S. In the current quarter, UBN will begin recognizing revenues in fiscal Q2, 1999. The revenues of UBN are expected to increase greatly after the granting of CLEC status, which is anticipated soon.

The Company's loss for the three months ended June 30, 1999 was equal to $1,651,038. This is compared to a loss for the three-month period ended June 30, 1998 of $781,281. The current quarter's loss increased dramatically due to the aggressive expansion of the Company's business. The expenses are primarily attributable to the Company's Selling, General and Administrative Expenses of which salaries, professional fees and marketing made up the largest amount. The increased expenses also reflect the activity of the newly acquired and incorporated subsidiaries of the Company.

Total salaries of $826,377 were paid or accrued for the three months ended June 30, 1999. This equated to 36.2 % of the total expenses for the quarter that totaled $2,281,279. This salary expense is compared to $278,339 (which was 32.2% of total expenses of $864,942) incurred by the Company in the three months ended June 30, 1998. The Company incurred expenses of $195,656 in professional fees, including attorneys, accountants, engineers and consultants. This amount represented 8.6 % of total G&A expenses for the quarter. In the same quarter a year ago, $142,537 was expended on professional fees, or 16.5%

of total expenses for the quarter. The Company anticipates continuing to incur a large amount of professional fees as it continues to rapidly expand. The total cost advertising and marketing increased this quarter to $282,337 (or 12.4 % of total G&A expenses) compared to $105,253 for the three months ended June 30, 1998. This represented 12.2% total expenses for the quarter.

The Company has current assets totaling $1,900,145 at June 30, 1999 with total net working capital of $1,170,462. This equates to a current ratio of approximately 2.60.

PART II - OTHER INFORMATION

ITEM 5. Other Information.

On or about July 30, 1999, the Company entered into a Master Purchase Agreement and secured line of credit agreement with Nortel Networks, a Canadian corporation which manufactures telecommunications equipment. Under the terms of the Agreement, Nortel Networks will provide the Company with $7 million in operating capital, to be repaid from future public equity fundraising by the Company. Nortel Networks will also deliver $8.2 million worth of equipment to the Company for installation in its Los Angeles office and surrounding locations as part of a network being built to offer DSL (Digital Subscriber Line) service and other telecommunications services to the Company's customers. The Agreement also extends a $37 million line of credit to the Company to purchase goods and services from Nortel Networks over the next two years for the buildout of the DSL network. The network planned by Nortel and the Company's engineers under the agreement will accommodate DSL service, other dial-up and high-speed Internet access services, traditional telephone service, fax, video, audio and videoconferencing services, as well as other data transport products and services. The network is scalable such that additional locations may be added to the network in the future as components without altering the core of the network. Initially, Nortel will deliver a DMS-500 telecommunications switch, and an extensive list of associated hardware and software, including one-megabit modems(TM) for customer premises equipment and StarHub(TM) network access devices. The Company anticipates placing the first customers on the network in service in October 1999, and placing approximately 15,000 DSL subscribers on the network in Phase I of the network development.

ITEM 6. Exhibits and Reports on Form 8-K

Reports of Form 8-K

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: August 16, 1999

IJNT.net, Inc.

s:/ Jon H. Marple
Jon H. Marple, President, Chairman
and Chief Financial Officer

s:/ Mary E. Blake
Mary E. Blake, Vice President and
Director

EX-27
2
FDS - 10QSB

5

This schedule contains summary financial information extracted from IJNT.net, Inc. June 30, 1999 financial statements and is qualified in its entirety by reference to such financial statements.

0000925739
IJNT.net, Inc.

3-MOS
MAR-31-2000
JUN-30-1999

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166,338
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